

Message

From: Kirsten Rasanen [REDACTED]@google.com]
Sent: 11/27/2017 8:43:08 AM
To: Paul Feng 馮友樸 [REDACTED]@google.com]
CC: Larry Yang [REDACTED]@google.com]; Tia Arzu [REDACTED]@google.com]; Greg Ivanov [REDACTED]@google.com]; Samer Sayigh [REDACTED]@google.com]; Tamzin Taylor [REDACTED]@google.com]
Subject: Re: Prep doc for Spotify meeting

AFIAK, Spotify has not been specific with us about what features we are missing other than pointedly asking about support for a.) student-pricing w/student status verification and b.) family plan options to support multiple users.

Play Features: Here is a great subs one-pager that Niko has put together. It includes a list of our subs product features and relevant case studies. **Larry** - maybe you could add our roadmap features to this list?

Spotify Features: Spotify's website lists the following features:

7-day free trial of Premium (no payment details required)

Premium trials and discounts (offer varies at different times,

-- 3 months for \$.99, then monthly for \$9.99 (payment details required)

-- Spotify for Playstation, 2 months for \$2, then monthly for \$9.99 (payment details required)

Monthly subs

Annual subs

Premium for Family

Student Discount (50% off, can't pay with PayPal or Gift Cards)

Premium + Hulu for Students

My guess is that most of these features can be supported by our platform but some tricky integration work may need to be done on their side. Management of entitlements for Hulu, I imagine, actually wouldn't change that much since I doubt they share payment details with Hulu (Tien could probably help us with this one :-). Again though, we've not gotten in to specifics as far as I am aware.

Re: FOPs - We have this trix that was put together a few months ago. I'm not sure how useful this is for Jamie, but directionally it tells us where there are significant FOP gaps between us and Spotify.

Greg/Tamzin - Any other Spotify product deep dives that you have previously done or FOP analysis?

K

On Sun, Nov 26, 2017 at 10:49 PM, Paul Feng 馮友樸 <[REDACTED]@google.com> wrote:
 + Samer, minus a few people...

So here is another fire drill we'll need to deal with. I know we have some of the FOP coverage stuff, but (a) a 1 pager on what our product offers and (b) deltas vs. Spotify will require some doing.

On (a) The product 1 pager, Larry, can you try to help pull together? On (b), do we actually know the key elements of what their product has? They've never really told us, have they?

On Sun, Nov 26, 2017 at 10:46 PM, Paul Feng 馮友樸 <[REDACTED]@google.com> wrote:

EXHIBIT 1442

(+Larry Yang on my team)

Thanks Jamie, for sharing.

We'll work on pulling as much of this material together as possible, and try to have it by Tuesday or Wed at latest. I'm not sure if we have a ton of detail on Spotify's subscriptions platform features, but we'll assemble what materials we have.

We have a PPS on Wed, I'd propose we use some of the time there to discuss this.

On Sun, Nov 26, 2017 at 10:12 AM, Jamie Rosenberg [REDACTED]@google.com> wrote:
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+ sameer, paul, for their review as well (context is that Hirohsi and I are meeting with Daniel Ek on Thursday of this week)

Thanks, all. This is helpful. A few other things would be helpful to add to this doc:

- 1) Feature detail/ feature comparison. Do have a comparison of the features of Spotify's billing platform compared to ours? In case Daniel gets specific about the gaps, what do we think those gaps would be?
- 2) Subscription platform 1-pager. Do we have a short overview of the supported features of our subscription platform, including the features launched most recently and the near-term items on the roadmap?
- 3) Geo coverage. Like Netflix, I expect Spotify might raise that they have better FOP coverage in some geos than we do. Do we know what those geos would be, and what should our answer be if they ask to keep their billing turned on where they have better FOP coverage than us? Do we agree to a phasing where those geos can stay on a bit longer (but not indefinitely)? Do we agree to more liberal use of in-app promos to buy on Web in those geos (but not permit their billing in app)? Or do we hold the line?

Thanks,

Jamie

On Tue, Nov 21, 2017 at 10:17 AM, Tia Arzu [REDACTED]@google.com> wrote:
+Harry

Sent from my cell. Please excuse typos.

On Nov 20, 2017 7:36 PM, "Kirsten Rasanen" [REDACTED]@google.com> wrote:
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Hi Jamie,

Greg put together this document outlining key talking points for the meeting you and Hiroshi have scheduled with Daniel Ek in early December.

The doc has lots of detail but key concerns and arguments revolve around:

- **Platform neutrality:** A stated “principled” argument that platforms such as Google Play should be “neutral” and not act as “gatekeepers” restricting developer choice and direct relationship with the user - *Note: This position was not raised in the partnerships/product discussion.*
- **Product concerns:** Spotify believes that their platform has capabilities that GPB lacks. We are awaiting their specific feedback on product gaps.
- **User relationship/Data transparency:** The lack of control that would result from using GPB instead of their own platform (billing platform capabilities, ownership of customer relationship, deep knowledge of user behavior) concerns Spotify. **See possible mitigations here.**
- **Margin impact:** Spotify objects to higher rev share than current billing platform.
- **Negotiating exceptions:** Spotify may ask whether they can achieve our end goals (consistency, security) without implementing GPB (thus maintaining control and avoiding fees).

Please let us know if you have any questions or need additional information.

Tia, Wilson - We've stuck to previously approved messaging, but welcome your input as well.

Best,
K.

[REDACTED] [REDACTED] [REDACTED]@google.com [REDACTED]

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Kirsten Rasanen | Director, Google Play Partnerships | [REDACTED]@google.com | [REDACTED]